

Message Text

LIMITED OFFICIAL USE

PAGE 01 MOSCOW 15808 061927Z

73

ACTION IO-13

INFO OCT-01 EUR-12 EA-07 ISO-00 CIAE-00 DODE-00 PM-04 H-02

INR-07 L-03 NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15

USIA-06 EB-07 AID-05 ACDA-07 TRSE-00 OMB-01 SAJ-01

/100 W

----- 088178

R 061549Z OCT 76

FM AMEMBASSY MOSCOW

TO SECSTATE WASHDC 9608

INFO AMEMBASSY BELGRADE

AMEMBASSY BERLIN

USMISSION BERLIN

USEC BRUSSELS 1621

AMEMBASSY BUCHAREST

AMEMBASSY BUDAPEST

USMISSION GENEVA

USMISSION USNATO

USMISSION USUN NEW YORK

USMISSION OECD PARIS

AMEMBASSY PRAGUE

AMEMBASSY SOFIA

AMEMBASSY WARSAW

USLO PEKING

LIMITED OFFICIAL USE MOSCOW 15808

E.O. 11652: N/A

TAGS: ECON, EAID, UNGA, UR

SUBJECT: SOVIET GOVERNMENT STATEMENT TO UN ON RESTRUCTURING
INTERNATIONAL ECONOMIC RELATIONS

REF USUN 4206

SUMMARY: AS PUBLISHED IN PRAVDA, TEXT OF SOVIET UN STATEMENT ON
RESTRUCTURING INTERNATIONAL ECONOMIC RELATIONS STRIKES US AS
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 MOSCOW 15808 061927Z

REPEATING WELL-KNOWN SOVIET POSITIONS "FOR THE RECORD." THE STATE-

MENT, PORTIONS OF WHICH SEEM DEFENSIVE IN TONE, ENCAPSULATES SOVIET VIEW ON DEVELOPMENT ASSISTANCE, ATTACKS THE FORM AND MOTIVATION OF WESTERN DEVELOPMENT ASSISTANCE, DISASSOCIATES COMMUNIST COUNTRIES FROM RESPONSIBILITY FOR CURRENT LDC ECONOMIC PROBLEMS (WHICH IT TRACES TO WEST ALONE), AND BY INTRODUCING DISARMAMENT ISSUE SEEMS TO MAKE PROGRESS IN THE LATTER A PRECONDITION FOR FURTHER DEVELOPMENT AID. PORTIONS OF STATEMENT ATTACK MULTINATIONAL FOR ALLEGED EXPLOITATION OF LDC'S AND WESTERN INITIATIVES IN DEVELOPMENT ASSISTANCE DESIGNED TO PROMOTE PRIVATE SECTOR. WHILE NOT SPECIFICALLY NAMING THAT INSTITUTION, THIS ATTACK IMPLIES OPPOSITION TO THE U.S. PROPOSAL FOR AN INTERNATIONAL RESOURCES BANK. SOVIET SENSITIVITY TO ATTEMPTS TO ASSOCIATE THEM WITH THE "IMPERIALISTS" IN ANY SORT OF "NORTH-SOUTH" DIALOGUE AND TO APPLY GOAL OF ONE PERCENT OF GNP ASSISTANCE GOAL TO COMMUNIST COUNTRIES MAY POSSIBILITY REFLECT SOME CONCERN ABOUT EMERGING LDC ATTITUDES, WHICH MAY HAVE BEEN REINFORCED BY PRC ATTACKS. END SUMMARY. END LIMITED OFFICIAL USE.

1. BEGIN UNCLASSIFIED. FULL TEXT OF STATEMENT AS WELL AS TEXT OF GROMYKO LETTER TRANSMITTING IT TO WALDHEIM FOR CIRCULATION AS UN DOCUMENT, APPEARED IN OCTOBER 5 PRAVDA. STATEMENT, FULL TEXT OF WHICH WE ASSUME NOW AVAILABLE IN WASHINGTON, APPEARS TO BE DEFENSIVE COMPILATION "FOR THE RECORD" OF KNOWN SOVIET VIEWS WITH REGARD TO PRESENT STRUCTURE AND PROPOSALS FOR CHANGES IN INTERNATIONAL ECONOMIC SYSTEM. WHILE REPEATING SOVIET OFFER TO DEVELOP MUTUALLY BENEFICIAL ECONOMIC RELATIONS WITH WESTERN COUNTRIES AND ATTACKING WESTERN OBSTACLES TO SUCH RELATIONS, STATEMENT CONCENTRATES ON SOVIET SUPPORT FOR ASPIRATIONS OF LDC'S TO RESTRUCTURE INTERNATIONAL ECONOMIC ORDER.

2. MAJOR POINTS MADE IN THIS REGARD ARE (1) NEED FOR LDC'S TO MOBILIZE OWN INTERNAL RESOURCES TO OVERCOME THEIR ECONOMIC BACKWARDNESS, WHICH IS CONSEQUENCE OF "COLONIALIST AND NEO-COLONIALIST" EXPLOITATION AND HENCE CAN BE OVERCOME ONLY BY BREAKING OUT OF PRESENT INTERNATIONAL ECONOMIC SYSTEM WHICH IS CONDUCIVE TO SUCH EXPLOITATION; (2) COINCIDENCE OF SOVIET INTERESTS WITH LDC INTERESTS IN RESTRUCTURING SYSTEM; (3) SOVIET SUPPORT FOR LDC PROPOSALS ON COMMODITY PRICING MECHANISM. LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 MOSCOW 15808 061927Z

NISMS, INCREASED TRANSFER OF WESTERN TECHNOLOGY, INTERNATIONAL MONETARY REFORM AND CONTROL OF THE ACTIVITIES OF MULTINATIONAL CORPORATIONS (MNC'S); (4) SOVIET DEVELOPMENT AID IS MORE EFFICIENT SINCE IT SERVES TO BUILD UP THE PUBLIC SECTOR AND SOVIET UNION IS PREPARED TO INCREASE ITS AID TO INTERESTED LDC'S IN FUTURE IN LINE WITH FINITE SOVIET RESOURCES; (5) ATTACKS WESTERN DEVELOPMENT AID SYSTEM AS ENCOURAGEMENT TO CONTINUED EXPLOITATION OF LDC'S BY THE LARGE WESTERN MONOPOLIES; (6) DISCLAIMS

ANY SOVIET RESPONSIBILITY FOR BACKWARD CONDITION OF LDC'S AND REFUTES ALL ATTEMPTS TO LUMP "SOCIALIST" COUNTRIES WITH DEVELOPED WESTERN COUNTRIES IN REGARD TO DEVELOPMENT QUESTIONS, AND (7) PROPOSES THAT MAJOR NEW AID TO LDC'S POSSIBLE AT EXPENSE OF MNC'S AND OF EXPENDITURES ON ARMS RACE, THUS LINKING INTEREST OF LDC'S TO DISARMAMENT PROPOSALS. END UNCLASSIFIED.

3. OF PARTICULAR INTEREST IS PARAGRAPH ATTACKING ROLE OF PRIVATE ENTERPRISE ("ONOPOLISTIC CIRCLES") IN ECONOMIC DEVELOPMENT IN LDC'S AND ATTEMPTS OF WESTERN GOVERNMENTS TO PROMOTE THIS ROLE. HAVING ALREADY ATTACKED MNC'S AS NEO-COLONIAL EXPLOITERS OF THE LDC'S, STATEMENT CLAIMS THAT WESTERN GOVERNMENTS FEEL COMPELLED TO MANEUVER IN ORDER TO CONCEAL COLONIALIST NATURE OF THEIR ASSISTANCE WITH PROMISES OF IMPROVEMENT IN THEIR ECONOMIC AID. ACCORDING TO RELEVANT PORTION OF STATEMENT,"EVEN THESE CONCESSIONS USUALLY ARE TIED TO THE ESTABLISHMENT OF CONTROL ON THE PART OF MONOPOLIES OVER THE EXPENDITURES OF THE MEANS GRANTED, WITH OPPOSITION TO THE CREATION OF A GOVERNMENTAL SECTOR OF THE NATIONAL ECONOMY OF DEVELOPING COUNTRIES, WITH THE DEMAND FOR BROADENING THE POSSIBILITY FOR INVESTMENTS OF FOREIGN PARTICIPATING CAPITAL. THE COURSE ON THE CONTINUATION AND DEEPENING OF THE EXPLOITATION OF THE DEVELOPING COUNTRIES ON THEIR PART REMAINS IN ESSENCE INVARIABLE. IT IS NOT POSSIBLE TO ASSUME THAT IT (THE COURSE) CAN BE REVERSED WITH THE HELP OF VARIOUS NARROW GROUP NEGOTIATIONS, EVEN IF THE NEGOTIATIONS ARE GIVEN AN APPEARANCE OF EQUALITY." THIS MAY REPRESENT AN IMPLICIT ATTACK ON THE U.S. PROPOSAL FOR THE ESTABLISHMENT OF AN INTERNATIONAL RESOURCES BANK AND IT IS PROBABLY NO COINCIDENCE THAT THIS STATEMENT WAS FORWARDED ON THE OPENING DAY OF THE IMF/IBRD MEETING IN MANILA. END UNCLASSIFIED

BEGIN LIMITED OFFICIAL USE
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 04 MOSCOW 15808 061927Z

4. COMMENT: THE STATEMENT, ALTHOUGH IT CONTAINS NO CHANGES IN THE SOVIET VIEW OF THE PRESENT INTERNATIONAL ECONOMIC ORDER AND THE NEED FOR AND DESIRED DIRECTION FOR ITS RESTRUCTURING, DOES REPRESENT CLEAR EXPOSITION OF THAT VIEW FOR THE RECORD AND AN ENCOURAGEMENT TO THOSE LDC'S WHO MAY HAVE SIMILAR IDEOLOGICAL RESERVATIONS TOWARD RECENT WESTERN INITIATIVES TOWARD THE THIRD WORLD. THE STATEMENT MAKES IT EVEN LESS LIKELY THE SOVIETS WILL DECIDE TO PLAY A CONSTRUCTIVE ROLE IN THESE NEGOTIATIONS. WHILE WE WOULD HAVE EXPECTED SOVIETS TO BE NEGATIVE IN ANY CASE, THE DEFENSIVE TONE OF THE STATEMENT MAY POSSIBLY REFLECT SOME CONCERN ABOUT LDC ATTITUDES. WHILE SOVIETS PICTURE THEMSELVES AS LINKED TO THIRD WORLD IN ATTACKS ON ALLEGEDLY WESTERN-DOMINATED OLD ORDER, THEY MAY BE RECEIVING SOME LDC CRITICISM BECAUSE OF LOW SOVIET AID

TOTALS AND DIFFICULTY OF USING NON-CONVERTIBLE CURRENCY. IN THIS RESPECT IT IS INTERESTING TO NOTE THAT BRITISH EMBASSY HERE HAS HEARD FROM SOVIET INSTITUTE OF WORLD ECONOMICS AND INTERNATIONAL RELATIONS THAT USSR HAS NO INTENTION OF ACCEPTING TARGET OF ONE PERCENT OF GNP FOR FOREIGN AID BUT DOES INTEND TO PLAY A MORE VISIBLE ROLE WITH REGARD TO THE INTERNATIONAL ECONOMIC SYSTEM.
MATLOCK

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TEXT, ECONOMIC COOPERATION, ECONOMIC DEVELOPMENT, SPEECHES
Control Number: n/a
Copy: SINGLE
Draft Date: 06 OCT 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: morefirh
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976MOSCOW15808
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760377-1085
From: MOSCOW
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19761077/aaaacorf.tel
Line Count: 177
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION IO
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 76 USUN NEW YORK 4206
Review Action: RELEASED, APPROVED
Review Authority: morefirh
Review Comment: n/a
Review Content Flags:
Review Date: 02 APR 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <02 APR 2004 by ElyME>; APPROVED <02 APR 2004 by morefirh>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: SOVIET GOVERNMENT STATEMENT TO UN ON RESTRUCTURING INTERNATIONAL ECONOMIC RELATIONS
TAGS: ECON, EAID, UR, UNGA, (GROMYKO, ANDREY ANDREYEVICH)
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006